



COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331
Telephone: (626) 458-5100
<http://dpw.lacounty.gov>

GAIL FARBER, Director

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

May 11, 2010

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

#55 MAY 11, 2010

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

AWARD OF CONTRACT FOR WALNUT PARK GARBAGE DISPOSAL DISTRICT (SUPERVISORIAL DISTRICT 1) (3 VOTES)

SUBJECT

This action is to award a contract for the automated collection, transportation, disposal, and management of refuse and the separate automated collection and management of recyclable materials (e.g., newspapers, metal cans, etc.) and green waste (e.g., lawn clippings, etc.) generated by all single-family and multifamily residences, businesses, commercial establishments, and industrial establishments in the Walnut Park Garbage Disposal District.

IT IS RECOMMENDED THAT YOUR BOARD:

1. Award to Consolidated Disposal Services, LLC, the contract for Walnut Park Garbage Disposal District (District) consisting of two separate tasks: Task 1, for automated collection, transportation, disposal of refuse, and the separate automated collection and management of recyclable materials and green waste from all single-family and multifamily residences, businesses, commercial establishments, and industrial establishments; and Task 2, for cleanup, collection, transportation, disposal, and management of discards in unlimited quantities from all alleys and specified public curbside receptacles within the District in an annual total amount of \$1,044,870, and a potential maximum contract amount of \$10,448,700. These amounts do not include potential future changes for contingencies and/or adjustments as set forth below. This contract will be for a term of seven years commencing on July 1, 2010, with three 1-year renewal options, for a potential maximum contract term of ten years.
2. Authorize the Director of Public Works or her designee to annually increase the contract amount

up to an additional 10 percent of the annual contract sum for unforeseen, additional work in accordance with the terms of the contract, if required; to adjust the maximum contract sum to provide for any change in unit counts based on the County Assessor's tax roll, which determines contractor's annual compensation; and to adjust the maximum contract sum based on the adjustment of the initial monthly unit rate of \$16.35 up to a total maximum adjustment amount of 30 percent of this initial monthly unit rate over the entire term of the contract to allow for cost-of-living adjustments, fuel cost adjustments, and solid waste facility fee adjustments.

3. Authorize the Director of Public Works or her designee to execute the contract; to renew the contract for each additional renewal option if, in the opinion of the Director of Public Works or her designee, Consolidated Disposal Services, LLC, has successfully performed during the previous contract period and the services are still required; to approve and execute amendments to incorporate necessary changes within the scope of work; and to suspend work if, in the opinion of the Director of Public Works or her designee, it is in the best interest of the County of Los Angeles to do so.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

The purpose of the recommended actions is to provide automated collection, transportation, disposal, and management of refuse and the separate automated collection and management of recyclable materials (e.g., newspapers, metal cans, etc.) and green waste (e.g., lawn clippings, etc.) generated by all single-family and multifamily residences, businesses, commercial establishments, and industrial establishments (Task 1); and the cleanup, collection, transportation, disposal, and management of discards in unlimited amounts from all alleys and specified public curbside receptacles (Task 2) within the District.

Collection and proper management of solid waste generated within the County's seven garbage disposal districts are provided by private sector haulers under contract with the districts. The recommended contract is necessary to continue to meet the refuse, recyclable, and green waste collection needs for the District's residents and business establishments.

Implementation of Strategic Plan Goals

The Countywide Strategic Plan directs the provision of Operational Effectiveness (Goal 1) and Community and Municipal Services (Goal 3). The contractor who has the specialized expertise to provide these services accurately, efficiently, timely, and in a responsive manner will support the Department of Public Works (Public Works) in meeting these goals.

FISCAL IMPACT/FINANCING

There will be no impact to the County General Fund.

The total annual amount is \$1,044,870 plus 10 percent of the annual contract sum for any unforeseen, additional work within the scope of work of the contract, if required, plus, changes to the annual amount based on the adjustment of the initial monthly unit rate of \$16.35 up to a total maximum adjustment amount of 30 percent of this initial monthly unit rate over entire term of the

contract to allow for cost-of-living adjustments, fuel cost adjustments, and solid waste facility fee adjustments. The annual amount is based on: Task 1, consisting of automated collection, disposal, and management of 4,903 refuse units receiving refuse, recyclable, and green waste, multiplied by the unit rate of \$16.35, which equals an annual amount of \$961,969 (\$80,164.05 monthly) plus \$3,173 for special collection services; and Task 2, consisting of cleanup, collection, transportation, disposal, and management of discards in unlimited quantities from all alleys and specified public curbside receptacles in the amount of \$79,728.

The contract amount can be adjusted if there is a change in refuse unit counts based on the County Assessor's tax roll and/or when the initial monthly unit rate of \$16.35 is adjusted due to annual cost-of-living adjustments, fuel cost adjustments, and solid waste facility fee adjustments in accordance with the terms of the contract.

Streets and Highways Code, Section 953, requires that the costs for cleanup, collection, transportation, disposal, and management of discards from alleys and public curbside receptacles be paid from the Road Fund Budget. Although the Road Fund must pay for these services, other funds available to pay for such services may be placed in the Road Fund. The District will deposit funds into the Road Fund to pay for those activities related to the cleanup, collection, transportation, disposal, and management of discards from the public road right of way in unlimited quantities from all alleys and specified public curbside receptacles within the District.

Awarding this contract will not necessitate an increase in the current annual service fee to continue to meet the District's operating costs. The District's reserves together with the estimated revenues at the current service fee rate are sufficient to fully finance this recommended contract through Fiscal Year 2010-11. The District will continue to submit the Annual Garbage Collection and Disposal Service Fee Report to your Board for approval to provide for the continued garbage collection and disposal service fees on the tax roll.

Funding for Task 1 and Task 2 is included in the Fiscal Year 2010-11 Proposed Walnut Park Garbage Disposal District Fund Budget and the Road Fund Budget. The District will also deposit the funds necessary for Task 2 into the Road Fund, and it will be included in the Fiscal Year 2010 11 Proposed Road Fund Budget. Funds for the contract's optional years, 10 percent additional funding for contingencies, adjustments to the maximum contract sum to provide for any change in unit counts, adjustments to the maximum contract sum based on the adjustment of the initial monthly unit rate, cost of-living adjustments, fuel cost adjustments, and solid waste facility fees will be requested through the annual budget process.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The recommended contractor is Consolidated Disposal Services, located in Santa Fe Springs, California. This contract will commence on July 1, 2010, for a period of seven years. With your Board's delegated authority, the Director of Public Works (Director) or her designee may renew the contract for three 1-year renewal options, for a potential maximum contract term of ten years.

The current contract consisting of Task 1 services in the District expires on June 30, 2010. The Task 2 services are currently being provided through Road Fund managed contracts. As the Task 2 refuse is generated within the boundaries of the District, it is to be included in this contract. Upon commencement of this contract, Task 1 and Task 2 will be combined into one contract.

The contract will be in the form previously reviewed and approved by County Counsel (Enclosure A). Prior to the Director executing this contract, the contractor will sign and County Counsel will review it as to form. The recommended contract with Consolidated Disposal Services, LLC, was solicited on an open-competitive basis and is in accordance with applicable Federal, State, and County requirements. The contractor is in compliance with the requirements of the Chief Executive Officer and your Board.

The award of this contract will not result in unauthorized disclosure of confidential information and will be in full compliance with Federal, State, and County regulations. The contract contains terms and conditions supporting your Board's ordinances, policies, and programs including, but not limited to: County's Greater Avenues for Independence and General Relief Opportunities for Work Programs (GAIN and GROW), Board Policy No. 5.050; Contract Language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code, Chapter 2.202; the Los Angeles County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; and Defaulted Property Tax Reduction Program Ordinance, Los Angeles County Code, Chapter 2.206; and the standard Board directed clauses that provide for contract termination or renegotiation.

Data regarding the bidders' minority participation is on file with Public Works. The contractor was selected upon final analysis and consideration without regard to race, creed, gender, or color.

Proof of the required Comprehensive General and Automobile Liability insurance policies, naming the County as additional insured, evidence of Workers' Compensation insurance and performance bond will be obtained from the contractor before any work is assigned.

Public Works has evaluated and determined that the Living Wage Program (Los Angeles County Code, Chapter 2.201) does not apply to this recommended contract, which is not subject to Proposition A, as authority to contract for these services is expressly provided by the California Public Resources Code, Section 49019. County Counsel concurs with this determination.

The contract includes a provision for cost-of-living adjustments (in accordance with your Board Policy, which was approved on January 29, 2002), fuel cost adjustments, and solid waste facility fee adjustments in accordance with the terms of the contract.

ENVIRONMENTAL DOCUMENTATION

On May 11, 2010, your Board adopted the Negative Declaration for the Firestone Garbage Disposal District, Athens/Woodcrest/Olivita Garbage Disposal District, and Walnut Park Garbage Disposal District Project (Project), and approved the Project. The Negative Declaration found that the Project will not have a significant effect on the environment in accordance with the provisions of the California Environmental Quality Act (CEQA). The Project, which includes the Walnut Park Garbage Disposal District, is within this previously approved environmental document.

CONTRACTING PROCESS

On October 29, 2009, Public Works solicited bids from 197 independent contractors and community business enterprises to accomplish this work. Also, a notice of the Invitation for Bids (IFB) was placed on the County's bid website (Enclosure B), and an advertisement was placed in the Los Angeles Times.

On December 7, 2009, five bids were received. The bids were first reviewed to ensure they met the minimum requirements in the IFB. One bidder was disqualified for not meeting the minimum mandatory requirements. The remaining four bids' cost to perform the services was then reviewed. It is recommended that this contract be awarded to the responsive, responsible, and lowest-cost bidder, Consolidated Disposal Services, LLC. The contractor has met all the minimum qualifications in accordance with the contract's specification.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The award of this contract will not result in the displacement of any County employees as these services are presently contracted with the private sector.

CONCLUSION

Please return one adopted copy of this letter to Public Works, Administrative Services.

Respectfully submitted,

A handwritten signature in cursive script that reads "Gail Farber".

GAIL FARBER
Director

GF:GZ:cg

Enclosures

c: Chief Executive Office (Lari Sheehan)
County Counsel
Executive Office

AGREEMENT FOR
WALNUT PARK GARBAGE DISPOSAL DISTRICT

THIS AGREEMENT, made and entered into this _____ day of _____, 2010, by and between the County of Los Angeles Board of Supervisors, acting as the governing body of the WALNUT PARK GARBAGE DISPOSAL DISTRICT (hereinafter referred to as DISTRICT) and Consolidated Disposal Services, LLC, a Limited Liability Company, (hereinafter referred to as CONTRACTOR).

WITNESSETH

FIRST: The CONTRACTOR, for the consideration hereinafter set forth and the acceptance by the DISTRICT of the CONTRACTOR'S bid filed with the DISTRICT on December 7, 2009, hereby agrees to provide services as described in the attached specifications for services of collecting/disposing of refuse and for collecting/managing recyclable material and green waste from all single-family and multifamily residences, businesses, commercial establishments, and industrial establishments within the DISTRICT as described herein, but not limited to, Exhibit A, Scope of Work.

SECOND: This AGREEMENT, together with Exhibit A.1, Scope of Work - Task 1; Exhibit A.2, Scope of Work – Task 2; Exhibit B, Service Contract General Requirements; Exhibit C, Internal Revenue Service Notice 1015; Exhibit D, Safely Surrendered Baby Law Posters; Exhibit E, Map of Walnut Park Garbage Disposal District; Exhibit F, Maps of Collection Routes for the Walnut Park Garbage Disposal District; Exhibit G, Solid Waste Monitoring and Reporting Forms; Exhibit H, Complaint Log; Exhibit I, Bond for Faithful Performance; Exhibit J, Los Angeles County Code, Title 20, Chapter 20.90, Part 13, Walnut Park Garbage Disposal District; Exhibit K, Assessor Parcels and Refuse Unit, Walnut Park Disposal District; Exhibit L, Disposal and Diversion Quantities; Exhibit M, Public Curbside Receptacle Locations; Exhibit N, Map of Alleys; Exhibit O, Defaulted Property Tax Reduction Program; and Exhibit P, Parent Guaranty; the CONTRACTOR'S bid, all attached hereto; the Invitation for Bids; and Addenda to the Invitation for Bids, all of which are incorporated herein by reference, are agreed by the DISTRICT and the CONTRACTOR to constitute an integral part of the Contract Documents.

THIRD: The DISTRICT agrees, in consideration of satisfactory performance of the foregoing services in strict accordance with this Contract's specifications to the satisfaction of the Director of Public Works (Director) to pay the CONTRACTOR pursuant to the Schedule of Prices set forth in the bid and attached hereto as Form PW-2, an amount not to exceed \$1,044,870 per year (Maximum Contract Sum), or such greater amount as the Board may approve.

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FOURTH: This Contract's initial term shall be for a period of seven years commencing on July 1, 2010. At the sole discretion of the DISTRICT, this Contract may be extended in increments of one year, not to exceed a total contract period of ten years. The DISTRICT, acting through the Director, may give a written notice of intent to extend this Contract at least 30 days prior to the end of each term.

FIFTH: In no event shall the aggregate total amount of compensation paid to the CONTRACTOR exceed the amount of compensation authorized by the Board. Such aggregate total amount is the Maximum Contract Sum.

SIXTH: The CONTRACTOR understands and agrees that only the designated Public Works Contract Manager acting on behalf of the DISTRICT is authorized to request or order work under this Contract. The CONTRACTOR acknowledges that the designated Contract Manager is not authorized to request or order any work that would result in the CONTRACTOR earning an aggregate compensation in excess of this Contract's Maximum Contract Sum.

SEVENTH: The CONTRACTOR shall not perform or accept work requests from the Contract Manager or any other person that will cause the Maximum Contract Sum of this Contract to be exceeded. The CONTRACTOR shall monitor the balance of this Contract's Maximum Contract Sum. When the total of the CONTRACTOR'S paid invoices, invoices pending payment, invoices yet to be submitted, and ordered services reaches 75 percent of the Maximum Contract Sum, the CONTRACTOR shall immediately notify the Contract Manager in writing. The CONTRACTOR shall send written notification to the Contract Manager when this Contract is within six months from expiration of the term as provided for hereinabove.

EIGHTH: The CONTRACTOR shall have no claim against the DISTRICT for payment of any money or reimbursement of any kind whatsoever for any service provided by the CONTRACTOR after the expiration or other termination of this Contract. Should the CONTRACTOR receive any such payment, it shall immediately notify the DISTRICT and shall immediately repay all such funds to the DISTRICT. Payment by the DISTRICT for services rendered after expiration or other termination of this Contract shall not constitute a waiver of the DISTRICT'S right to recover such payment from the CONTRACTOR. This provision shall survive the expiration or other termination of this Contract.

NINTH: The DISTRICT may adjust the number of refuse units subject to Exhibit A.1, Section 2.A.2, Unit Counts and Payment Rates. The DISTRICT may adjust the initial monthly unit rate of compensation set forth in Form PW-2 (Schedule of Prices) subject to Exhibit A.1, Section 2.B, Petition to Adjust Monthly Unit Rate.

TENTH: In the event that terms and conditions, which may be listed in the CONTRACTOR'S bid, conflict with the DISTRICT'S specifications, requirements, and terms and conditions as reflected in this AGREEMENT including, but not limited to, Exhibits A through P, inclusive, the DISTRICT'S provisions shall control and be binding.

ELEVENTH: The CONTRACTOR agrees in strict accordance with this Contract's specifications and conditions to meet the DISTRICT'S requirements.

TWELFTH: A faithful performance bond, in substantially the form attached as the Exhibit I, is required in a sum not less than 50 percent of the annual Contract price payable to the DISTRICT, executed by a corporate surety admitted to transact business as a surety insurer in the State of California (or by the surety's agent with a notarized copy of power of attorney). The admitted surety and its agent shall have sufficient bonding limitations to provide bonds in the amount required by this Contract. The bond shall be conditioned upon faithful performance of the terms and conditions of this Contract by CONTRACTOR in a manner that is satisfactory and acceptable to the DISTRICT. If necessary, the bond shall be renewed in a timely manner to provide for continuing liability in the above amount notwithstanding any payment or recovery thereon. Subject to DISTRICT conditions and approval, a Certificate of Deposit or an irrevocable Letter of Credit payable to the DISTRICT upon demand and in a sum not less than 50 percent of the annual Contract price may be acceptable. Failure to Maintain Coverage - Failure by the CONTRACTOR to maintain the required security shall constitute a material breach of contract upon which the DISTRICT may immediately terminate or suspend this Contract. The CONTRACTOR shall pay all security premiums, costs, and incidentals.

THIRTEENTH: This Contract constitutes the entire agreement between the DISTRICT and the CONTRACTOR with respect to the subject matter of this Contract and supersedes all prior and contemporaneous agreements and understandings.

[illegible]

IN WITNESS WHEREOF, the DISTRICT has, by order of its Board of Supervisors, caused these presents to be subscribed by the Director of Public Works, and the CONTRACTOR has subscribed its name by and through its duly authorized officers, as of the day, month, and year first written above.

WALNUT PARK GARBAGE DISPOSAL
DISTRICT

By _____
Director of Public Works

APPROVED AS TO FORM:

ANDREA SHERIDAN ORDIN
County Counsel

By _____
Deputy

CONSOLIDATED DISPOSAL
SERVICES, LLC

By _____
Its President

Type or Print Name

By _____
Its Secretary

Type or Print Name

Bid Detail Information

Bid Number : PW-ASD-771
Bid Title : WALNUT PARK GARBAGE DISPOSAL DISTRICT
Bid Type : Service
Department : Public Works
Commodity : GARBAGE/TRASH REMOVAL AND DISPOSAL SERVICE
Open Date : 10/29/2009
Closing Date : 11/10/2009 2:00 PM
Bid Amount : \$ 1,360,000
Bid Download : Not Available
Bid Description : PLEASE TAKE NOTICE that Public Works invites bids for a contract for garbage disposal services in the Walnut Park Garbage Disposal District (2009-GDD044). The annual cost of this service is estimated to be \$1,360,000.

Minimum Requirements: Bidders must meet all minimum requirements set forth in the Invitation for Bids (IFB) document, including, but not limited to, the following:

1. The Bidder and any subcontractor performing Task 1 must have a minimum of three years' experience in the automated collection of refuse from residences (single-family homes and duplexes), multifamily residences, businesses, commercial establishments, and industrial establishments at the time of bid submission.
2. The Bidder and any subcontractor performing Task 1 must have a minimum of three years' experience in the automated collection and managing of recyclable materials and green waste from residences, multifamily residences, businesses, commercial establishments, and industrial establishments at the time of bid submission.
3. The Bidder and any subcontractor performing Task 2 must have a minimum of three years' experience in removal of discarded materials from alleys and public curbside receptacles collection at the time of bid submission.
4. Bidder and any subcontractor must possess the required valid Waste Collector Permit naming the Bidder and any subcontractor as the permittee or a copy of the application for a Waste Collector Permit naming the Bidder and any subcontractor as the permittee issued by the County of Los Angeles Department of Public Health at the time of bid submission.
5. The Bidder must also submit a Bid Guaranty as outlined in Part I, Section 2.A.11, Bid Guaranty, at the time of bid submission.
6. If awarded this contract, the Bidder must have the ability to provide a faithful performance security in the sum of not less than 50 percent of the annual contract price as specified in the Part II, Sample Agreement.
7. The Bidder must be able to demonstrate its financial and physical capabilities to provide all of the services contemplated in the specifications outlined in Exhibit A.1 and Exhibit A.2, Scope of Work, as well as equipment required in the performance of the work, through either one of the two options:

„X When audited financial statements are submitted, the Bidder's annual gross business income for the most current three full fiscal years shall be no less than one times the Total Proposed Annual Amount for Tasks 1 and 2 from Form PW-2, Schedule of Prices, and must be prepared and certified by an independent Certified Public Accountant or an accounting firm, or

„X When reviewed financial statements are submitted, the Bidder's annual gross business income for the most current three full fiscal years shall be no less than three times the Total Proposed Annual Amount for Tasks 1 and 2 from Form PW-2, Schedule of Prices, and must be prepared and certified by an independent Certified Public Accountant or an accounting firm.

If not enclosed, the IFB with contract specifications, forms, and instructions for preparing and submitting bids may be requested by accessing this link at <http://dpw.lacounty.gov/asd/contracts> or may be requested from Ms. Jeanette Arismendez at (626) 458 4050, jarismen@dpw.lacounty.gov, or from Mr. Benjamin Sandoval at (626) 458-7334, bsandoval@dpw.lacounty.gov, Monday through Thursday, 7 a.m. to 5 p.m.

A Bidders' Conference will be held on Tuesday, November 10, 2009, at 2 p.m. at Public Works Headquarters, 900 South Fremont Avenue, Alhambra, California 91803, in Conference Room A. ATTENDANCE BY THE BIDDER OR AN AUTHORIZED REPRESENTATIVE IS MANDATORY. Public Works will reject bids from those whose attendance cannot be verified. Attendees should be prepared to ask questions at that time about the specifications, bid requirements, and contract terms. After the conference, it may be impossible to respond to further requests for information.

The deadline to submit bids is Monday, December 7, 2009, at 5:30 p.m. Sealed bids must be submitted to the Public Works Cashier, located on the Mezzanine Floor at the address above.

Bidders are encouraged to conduct site visits of the work location including alleys, well in advance of the deadline to submit bids or before the Bidder's Conference in order to properly assess the extent of the services requested. Please direct your questions to Ms. Arismendez or Mr. Sandoval at the numbers listed above. Bidders are instructed not to contact any County personnel other than the Contract Analysts listed above regarding this solicitation.

Contact Name : Jeanette Arismendez
Contact Phone# : (626) 458-4050
Contact Email : jarismen@dpw.lacounty.gov
Last Changed On : 10/30/2009 8:24:34 AM

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